

25 April 1962

MEMORANDUM FOR : Comptroller ~~CONFIDENTIAL~~

THROUGH : Chief, Finance Division

SUBJECT : Cashing of Credit Union Checks

1. Subject procedure, approved Tab A, began in October 1961 when we moved to the new building. Pursuant to our conversation of several days ago we are in this memo setting forth several of the factors that were considered at the time the procedure was adopted.

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2. Mr. [REDACTED] at that time, Chief, Benefits and Services Division, Office of Personnel, called on Mr. Saunders with a request that the Credit Union be authorized to obtain their cash from the Monetary Branch, Finance Division. The request was primarily based on the desire of the Credit Union to continue to cash employees' paychecks without charge. Mr. Saunders was advised that the Credit Union would have to pay more for the transportation of their funds to Langley by armored car service than previously. He was further advised that to cover this cost, the Credit Union would have to establish a charge for cashing payroll checks.

3. Prior to adoption of the Credit Union request for support the following points were considered:

- a. The absence of a bank within CIA to provide a free check cashing service. Banks in the Pentagon, State, Navy, Walter Reed, etc. cash government checks without charge to the employee.
- b. The additional protection afforded funds by the Monetary vault on the sixth floor during the "move-in period". The Credit Union by cashing checks daily with the Monetary Branch could maintain a minimum cash balance in their first floor office.

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4. The opinion of the Office of General Counsel was solicited. Mr. [REDACTED] D/General Counsel, said there would be legal objections to our providing funds to the Credit Union and being reimbursed after the fact. The decision, therefore, was for the Monetary Branch to limit its support to the cashing of Credit Union checks.

5. Since October 1961, the requirements of the Credit Union have grown steadily with the increase of personnel working in the new building. The current trend indicates that the Credit Union will require approximately [REDACTED] more cash than they required in their previous locations. There is a risk of loss when moving such a sum from Treasury to CIA and while the Credit Union states that they are insured, it is questionable whether collection could be effected from the insurance company as the funds being transported in any given trip are not exclusively for the Credit Union. Since the move to the new building, the Office of Security has provided a security escort when funds are transported from Treasury to CIA. Recently, the Office of Security has instituted a procedure for providing security escort for the Credit Union when funds are moved from the Monetary vault to the Credit Union. We also understand that a security escort is provided to the Credit Union when they transport funds to service CIA personnel at [REDACTED]. These procedures seem to indicate that even when funds have left the control and accountability of the Agency they remain under the protection of the Agency.

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6. While it is not so stated in Tab A, it was understood that after completion of the move to the new building that the check cashing procedure on behalf of the Credit Union might be subject to review. It is, therefore, suggested that the Office of Security be requested to determine if there is any security problem involved in having the Credit Union contract for armored car service. Also, considering recent organizational changes it appears appropriate at this time to review the current policy of cashing Credit Union checks.

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[REDACTED]
Chief, Monetary Branch

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